

Please Support HB 1093 to Boost Small Local Businesses, Grow the Economy and Protect Taxpayer Dollars through Competition

HB13-1093 sponsored by Rep. Polly Lawrence would limit to the amount of work a local government agency can self-perform and require projects over a certain dollar value be competitively bid to the private sector.

The state currently limits the amount of work that CDOT can perform using its own forces as opposed to contracting out the work for competitive bid. However, there are no such limits on local government agencies that utilize taxpayer funds distributed through the State Highway User Tax Fund (HUTF) to perform their own construction projects with no oversight and no competition.

Local governments should not be in the road construction business:

- By putting contracts out to bid, government realizes lower costs and better quality through competition. Those benefits are lost when government does the job itself.
- Taxpayer expenses rise as the county pays the costs of buying and maintaining fleets of road building equipment, and of hiring qualified employees to perform these tasks.

Using private contractors minimizes the risks to the public and to taxpayers, because:

- The contractor assumes the risk of completing the project within the budget.
- The contractor bears the risk of repairing any damage during construction.
- The contractor bears the responsibility for complying with quality specifications. If the project does not meet standards, it must be redone at the contractor's expense.
- Private contractors are insured, which insulates taxpayers from liability, and contractors often post performance bonds that protect local governments.
- Private contractors have experience and expertise that cannot be matched by most local governments.

By contrast, when local government builds a road or repairs a bridge, the **taxpayers** bear the entire risk of cost overruns, untimely completion, and failure to meet the specifications, and damages that would otherwise be covered by private insurance.

When construction work is competitively bid to the private sector, it creates more jobs for small local businesses, increases the tax base and boosts economic growth in Colorado.

Good public policy demands that local governments use limited tax dollars efficiently in order to maximize services to the public. That policy is not promoted when government undertakes projects that are better done by the private sector.

Vote YES on HB 1093 to boost small local business, promote free enterprise, create private sector jobs and protect taxpayers.

Supporting Organizations:

Colorado Contractors Association
Colorado Asphalt Pavement Association
Colorado Motor Carriers Association
Colorado Ready Mix Association
National Electrical Contractors Association
Portland Cement Association - Rocky Mountain and Northwest Region